

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
June 16, 2008

Oil Conservation Division Submit to appropriate District Office  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED

SEP - 3 2008

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO **DRILL**, RE-ENTER, DEEPEN, **PLUGBACK**, OR ADD A ZONE

HOBBS OCD

<sup>1</sup> Operator Name and Address Enervest Operating LLC 1001 Fannin Street, Suite 800, Houston, TX 77002		<sup>2</sup> OGRID Number 143199 ✓
<sup>3</sup> Property Code 303904 ✓	<sup>5</sup> Property Name J W SHERRELL	<sup>4</sup> API Number 30 - 025 - 39136
<sup>9</sup> Proposed Pool 1 Jalmat (Tansil-Yates-7 Rivers) Gas		<sup>10</sup> Proposed Pool 2 <del>Langley Mattix (Lower 7 Rivers-Queen-Grayburg)</del> Per GM

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	31	24-S	37-E		2422	SOUTH	971	EAST	LEA

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P ✓	<sup>15</sup> Ground Level Elevation 3230'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 3100'	<sup>18</sup> Formation T-Y-7R	<sup>19</sup> Contractor NA	<sup>20</sup> Spud Date NA

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	1,250'	610	Surface
7-7/8"	4-1/2"	10.50#	3,800'	650	Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any Use additional sheets if necessary.

1. Prepare surface location. Move in and rig up drilling rig, spud well and drill and set conductor. Install and test BPO's.
2. Drill 12-1/4" surface hole to a minimum depth of 1250'. Set 8-5/8" casing and cement.
3. Drill 7-7/8" production hole 3,100' TD and evaluate running mud logs as well as DLL/LDT/CAL/GR to TD.
4. Set 4-1/2" to TD and cement to surface. Perforate porosity and stimulate as necessary (specific procedure to be determined).
5. Place well on test.
6. H2S can be present in this area and an H2S contingency plan attached.

Permit Expires 2 Years From Approval  
Date Unless Drilling Underway

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: Ronnie Young

Title: Regulatory Supervisor

E-mail Address: ryoung@enervest.net

Date: 9-2-08

Phone: (713) 495-6530

OIL CONSERVATION DIVISION

Approved by:

Title: PETROLEUM ENGINEER

Approval Date:

Expiration Date:

SEP 09 2008

CONDITIONS OF APPROVAL of Non-Standard Location  
Intent to drill ONLY — CANNOT produce until the Non-Standard  
Location has been approved by OCD Santa Fe office